762.00/1-662

RA: RD.VINE :

DEPARTMENT OF STATE

Memorandum of Conversation COMPTRACTAL

Approved in S 1/18/62 DATE: Jamary 6, 1962

762.00/1-66

SUBJECT:

Berlin

PARTICIPANTS:

The Secretary

The Under Secretary

Sir Bivard Beath, the Lord Privy Seal

Sir Devid Ormsby-Gore, the British Ambessafor

Richard D. Vine - EUR/RA

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The Secretary noted that he was interested by Gromyko's response to a point that we had made of no de facto or de jure recognition of East Germany and its status in East Berlin. Growyko reacted to this that we had already done so. The Secretary wondered if it would be possible to make progress in this position, brushing aside one point after another.

Another point which had to be tested was whether the Soviets required the four powers signing a peace treaty or whether an agreement smong the four powers could be appended to the treaty.

He went on to say that if the Soviets continue to leave unilateral harasments alone, it may be possible to work something out. Gromyto's attitude has certainly not been emptious.

Amother hopeful sign has been the Soviet reference to political relations between West Berlin and West Germany.

The Secretary also noted that he was beginning to see that was behind the reference to a subsidized Berlin. In had not thought of the Wall in connection with the differential standard of living and the "espitalist entirement" of Bast German Ferjass, but this see to be a great concern to the Soviets.

He also

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He also mentioned Brandt's suggestion for control of workers which might be worked out independent of the problem of refugees on the basis of passports, visas, or some such device. This was bogged down, however, on the question of political asylum.

The Secretary thought it nevertheless possible to go on "punching holes in the wall". The Soviet demands that subversion, i.e., intelligence activities should cease, is not a matter that is susceptible to any agreement.

The French, he continued, are showing a great deal more interest in these talks than they are supposed to.

Heath noted that Couve had said as much in Paris in December.

EUR/RA: RDVine: jcm

1/10/62